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to pursue in timely fashion the determination of his filed claim, the Director may, at his discretion, deem the same to be abandoned. Not less than thirty-three days prior thereto, the PSOB Office shall serve the claimant with notice of the Director's intention to exercise such discretion.

§ 32.35 Disqualification.

No claim shall be approved if the claimant is— $\,$

- (a) In default on any student loan obtained under 20 U.S.C. 1091 (higher education assistance), unless, for good cause shown, the Director grants a waiver; or
- (b) Subject to a denial of federal benefits under 21 U.S.C. 862 (drug traffickers and possessors).

§32.36 Payment and repayment.

- (a) The computation described in the Act, at 42 U.S.C. 3796d-1(a)(2), shall be based on a certification from the eligible educational institution as to the claimant's full-, three-quarter-, half-, or less-than-half-time student status, according to such institution's own academic standards and practices.
- (b) No payment shall be made with respect to any grading period that ended before the injury date.
- (c) With respect to any financial claim, no amount shall be payable that exceeds the amount of the eligible educational expenses that form the basis of the claim.
- (d) In the event that appropriations for a fiscal year are insufficient for full payment of all approved or anticipated financial claims, the following payments shall be made—
- (1) The amounts payable on approved prospective financial claims from claimants in financial need, to the extent of such need (if sufficient funds be available therefor), in the order the claims are approved;
- (2) All other amounts payable on approved prospective financial claims (in the order the claims are approved), if sufficient funds be available therefor—
- (i) After payment of all amounts payable pursuant to paragraph (d)(1) of this section; and
- (ii) After making allowance for anticipated amounts payable in the fiscal

year pursuant to paragraph (d)(1) of this section; and

- (3) The amounts payable on approved retroactive financial claims (in the order the claims are approved), if sufficient funds be available therefor—
- (i) After payment of all amounts payable pursuant to paragraphs (d)(1) and (2) of this section; and
- (ii) After making allowance for anticipated amounts payable in the fiscal year, pursuant to paragraphs (d)(1) and (2) of this section.
- (e) In the event that, at the conclusion of a fiscal year, any amounts remain payable on an approved financial claim, such amounts shall remain payable thereafter until paid (when appropriations be sufficient therefor).
- (f) In the event that any amounts remain payable on an approved prospective financial claim after the end of the grading period that forms its basis, such claim shall be deemed an approved retroactive financial claim for purposes of paragraph (d) of this section.
- (g) No payment shall be made to (or on behalf of) any individual, on the basis of being a particular living public safety officer's spouse, unless the individual is the officer's spouse on the date of payment.
- (h) Unless, for good cause shown, the Director grants a full or partial waiver, a payee shall repay the amount paid to him (or on his behalf) pursuant to a prospective financial claim if, during the grading period that forms its basis—
- (1) He fails to maintain satisfactory progress under 20 U.S.C. 1091(c) (higher education assistance);
- (2) He fails to maintain the enrollment status described in his claim; or
- (3) By his acts or omissions, he is or becomes ineligible for financial assistance.

§ 32.37 Request for Hearing Officer determination.

In order to exhaust his administrative remedies, a claimant seeking relief from the denial of his claim shall request a Hearing Officer determination under subpart E of this part. Consistent with §32.8, any denial that is not the subject of such a request shall